

December 2, 2009 No. 2009-09

TO: ALL SUPPLIERS

FROM: DEBI BESSER, DIRECTOR OF PURCHASING

SUBJECT: BOARD POLICY ON ENERGY DRINK POS MATERIALS

There is an emerging consensus among scientists and medical professionals that the combination of energy drinks and alcohol is not safe, and poses a potentially serious public health risk. The Board is very concerned about this, and does not want the Washington State Liquor Control Board retail stores to be a venue for promoting this combination. Therefore, the Board has approved a Board policy which prohibits any references to combining energy drinks with alcohol on point-of-sale materials in our state stores. This includes, but is not limited to, bottle labels, back-cards, bottle neckers, shelf talkers, posters, displays, unique displays, price signs, recipe cards, and rebates.

A draft of the policy was sent out to stakeholders, prior to the October 14, 2009 Board meeting. At that Board meeting, stakeholder and public comments were requested, however, there were no comments or feedback expressed at that meeting. Additionally, written feedback was accepted through October 20, 2009. On October 28, 2009 the Board considered the two written comments received, and voted to approve the policy.

Please read the entire policy, attached to this memo, to ensure that your company is in full compliance. Suppliers and brokers are responsible to ensure their compliance by January 1, 2010. After that date, if store employees become aware of instances that violate the policy, the materials will be removed. If it is a second violation, the consequences outlined in the policy of display restrictions may be applied.

Thank you for your assistance in ensuring that the Liquor Control Board retail stores are not promoting this practice of combining alcohol and energy drinks. If you have any questions or concerns, or need an extension in complying with this policy, please contact me at dip@liq.wa.gov or 360-664-1668.



Subject: Prohibition of References to Energy Drinks in Point-of-Sale Materials Effective Date: October 28, 2009 Approved: Sharon Foster, Board Chairman

Liquor Control Board Policy #09 - 2009

Background

The practice of consuming alcohol with energy drinks has become popular in recent years. However, there are an increasing number of scientific studies that have shown the dangerous effects of mixing alcohol with energy drinks. While alcohol is a depressant, energy drinks are stimulants. The net effect is that the consumer doesn't feel the effects of the alcohol, yet is just as impaired as they would be had they just consumed the alcohol without the energy drink.

Ruthann Kurose, Board Member

There is an emerging consensus among scientists and medical professionals that this combination of energy drinks and alcohol is not safe, and poses a potentially serious public health risk. One of the leading studies, from the Wake Forest University School of Medicine, found that "students who consumed alcohol mixed with energy drinks were twice as likely to be hurt or injured, twice as likely to require medical attention, and twice as likely to ride with an intoxicated driver, as were students who did not consume alcohol mixed with energy drinks. Students who drank alcohol mixed with energy drinks were more than twice as likely to take advantage of someone else sexually, and almost twice as likely to be taken advantage of sexually."

Purpose Statement

Like the medical and prevention community, the Board is very concerned about the potential public safety effects of this growing trend of combining energy drinks with alcohol. The purpose of Liquor Control Board Policy #09 – 2009 is ensure that the Washington State Liquor Control Board (WSLCB) retail stores do not contain any marketing or point-of-sale material that suggests or recommends the use of energy drinks with alcoholic beverages.

Policy Statement

Marketing/Point-of Sale (POS) materials - including, but not limited to bottle labels, back-cards, bottle neckers, shelf talkers, posters, displays, unique displays, price signs, recipe cards, and rebates – referencing the use of energy drinks with alcohol are <u>not</u> allowed to be displayed in WSLCB state stores or contract stores. This includes references to a generic "energy drink", or any name brand of energy drink.

Energy drinks are generally defined as any substance designed or marketed to boost the drinker's energy, usually with artificially increased levels of caffeine. Other commonly used ingredients include guarana, taurine, ginseng, maltodextrin, inositol, carnitine, creatine, glucuronolactone and ginkgo. Beverages with lower levels of caffeine, such as coffee or soda are not included in this definition of energy drinks.

Supplier and broker representatives will be responsible to ensure that their POS materials are in compliance with this policy.

Any POS materials with references to energy drinks found in the stores will be removed immediately, and the supplier and broker (if applicable) will be notified. Any supplier with more than one violation of this policy within one year may have their ability to qualify for product displays revoked for up to 6 months.

Policy Implementation

Effective 35 days from the implementation of this policy, all suppliers and brokers need to ensure that all POS materials with references to energy drinks have been removed from WSLCB stores, and that no new POS materials with references to energy drinks are placed in WSLCB stores.

The prohibition of energy drink references will be added to the criteria for approval of POS material. Any products with references to energy drinks on the product label will not be given listing consideration.